

SOUTH DAKOTA BUILDING AUTHORITY

MINUTES OF THE SPECIAL MEETING

February 25, 2011

Pursuant to due notice, the South Dakota Building Authority met on Friday, February 25, 2011. The Special meeting began at 10:00 a.m. CT, via telephone. Mr. Tom Graham, Chairman, instructed the Executive Secretary to call the roll.

Present: Mr. Tom Graham
 Mr. Dennis Haan
 Mr. Joe Lien
 Mr. D. J. Mertens
 Mr. Dennis Neugebauer
 Mr. James Roby

Absent: Mr. Douglas Sharp

Other staff and representatives of the Authority present were:

 Mr. Donald Templeton, Executive Secretary
 Mr. Todd Meierhenry, General Legal Counsel
 Mr. Dustin Christopherson, SDHEFA
 Mr. Mick Jost, SDHEFA

A quorum was declared by the Chairman and the meeting was called to order.

Mr. Don Templeton advised the Authority members that the notice of the meeting had been posted at the entrance of the office of the South Dakota Building Authority on February 22, 2011. A copy of that notice is attached hereto and is an integral part of the minutes (*see Attachment #1*).

The Chairman asked for consideration of the minutes for the September 16 & 17, 2010 annual meeting. Mr. Jim Roby moved to approve the minutes as presented, seconded by Mr. Joe Lien. All members present voted aye. Motion carried.

E. Stevens Smith Contract and Billing

Mr. Don Templeton explained that E. Steves Smith researched if the South Dakota Maintenance Corporation formed for the South Dakota Building Authority Series 1989 Certificates of Participation was needed any longer.

E. Steves Smith billed the South Dakota Building Authority \$589.33 in a bill dated January 27, 2011. Mr. Don Templeton explained the contract with E. Stevens Smith was not to exceed \$1,000 at a billable rate of \$150 an hour. Mr. Roby moved to approve the contract. Mr. D.J. Mertens seconded. All members present voted aye.

Conservation Reserve Enhancement Program "CREP" – Program Review

Mr. Don Templeton explained that the CREP program has wound down to a point where zero bonds are outstanding and four loans totaling \$65,082 are outstanding.

Mr. Don Templeton explained that Pam Warriner, the loan officer for the program has been experiencing a decreased work load to the point where it makes sense to eliminate the full time position. Mr. Don Templeton explained that Dustin Christopherson and Mick Jost could assume Pam Warriner's current work responsibilities at a fraction of the cost to the program.

Mr. Don Templeton explained that the programs had \$446,520 of cash and reserves on January 31, 2011.

The members visited about eliminating the full time employee as of March 11, 2011.

Mr. Joe Lien made the motion to eliminate the full time position (*see Attachment #2*). Mr. Dennis Neugebauer seconded. All members present voted aye.

Mr. Don Templeton will report the cash balance to the South Dakota Building Authority members in June 2011 to discuss giving some of the remaining monies to the State of South Dakota.

Local Checking Account for the Conservation Reserve Enhancement Program

After December 31, 2010, companies could no longer deposit payroll taxes into a depository using the coupon booklets. The funds needed to be transferred from a checking account using Electronic Funds Transfer (EFT) and these cannot be done using a trust fund. Therefore, the Conservation Reserve Enhancement Program (CREP) needed a local checking account to transfer funds to the IRS for payroll taxes using EFT. In order to open a checking account for the CREP program, The First National Bank in Sioux Falls required a resolution (*see Attachment #3*) authorizing the checking account to be signed and approved by the South Dakota Building Authority Board. Mr. Dennis Haan made a motion to adopt the resolution and Mr. Joe Lien seconded. All members present voted aye.

Mr. Don Templeton reviewed the 2011 Legislation regarding bonding and reviewed the current financial statements of the South Dakota Building Authority.

Adjournment

The Chairman stated that there being no further business at this meeting, the meeting would be adjourned at 10:25 a.m. CT.

South Dakota Building Authority

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P.O. Box 846
Pierre, SD 57501

Tel: 605-224-9200
FAX: 605-224-7177

February 22, 2011

To the Members of the
South Dakota Building Authority

Re: Notice of Special Meeting

You are hereby notified that the Chairman has set Friday, February 25, 2011 as the meeting date for the special meeting of the South Dakota Building Authority to be held via telephone. Our special meeting will begin at 10:00 a.m. CDT (9:00 a.m. MDT).

You may participate in the meeting by dialing 1-877-336-1828 and enter your Participant Access Code, which is 4677196 followed by the # key.

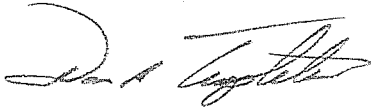
The following members have indicated they will be available for the meeting:

Tom Graham
Dennis Haan
Joe Lien
D.J. Mertens

Dennis Neugebauer
James Roby
Douglas Sharp (uncertain)

An agenda is attached and information on agenda items will be sent out separately.

Cordially,



Don A. Templeton
Executive Secretary

DAT:bm

Cc: Todd Meierhenry

ATTACHMENT #2

Motion directing the executive secretary to eliminate the full time employee associated with the conservation reserve enhancement program.

CORPORATE AUTHORIZATION RESOLUTION

FIRST NATIONAL BANK
PO BOX 5186
SIOUX FALLS SD 57117-5186

By: SOUTH DAKOTA BUILDING AUTHORITY PORT 140856

330 S POPLAR AVE
PIERRE, SD 57501-2495

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, (X) _____, certify that I am Secretary (clerk) of the above named corporation organized under the laws of SOUTH DAKOTA, Federal Employer I.D. Number 46-6043582, engaged in business under the trade name of SOUTH DAKOTA BUILDING AUTHORITY, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on _____ (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Name and Title or Position	Signature	Facsimile Signature (if used)
A. <u>MICHAEL JOST</u>	<u>(X)</u>	X
B. <u>DON TEMPLETON</u>	<u>(X)</u>	X
C. <u>DUSTIN CHRISTOPHERSON</u>	X	X
D. _____	X	X
E. _____	X	X
F. _____	X	X

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Indicate A, B, C, D, E, and/or F	Description of Power	Indicate number of signatures required
B	(1) Exercise all of the powers listed in this resolution.	_____
	(2) Open any deposit or share account(s) in the name of the Corporation.	_____
B	(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.	_____
	(4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.	_____
	(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.	_____
B	(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.	_____
A, B, & C	(7) Other _____	_____

LIMITATIONS ON POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated NEW ACCOUNT. If not completed, all resolutions remain in effect.

CERTIFICATION OF AUTHORITY

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Corporation is a non-profit corporation.

In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on (X) _____ (date).

(X) _____ Attest by One Other Officer
(X) _____ Secretary

RESOLUTION

The Corporation named on this resolution resolves that,

- (1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
- (5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for the purpose.
- (6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is

not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

FOR FINANCIAL INSTITUTION USE ONLY

Acknowledged and received on _____ (date) by _____ (initials)

This resolution is superseded by resolution dated _____.

Comments: